

NSC BRIEFING

29 June 1958

INDONESIA - BACKGROUND

- I. Three factors involved in current army-inspired crisis
 - A. So-called "17 October affair" of 1952.
 - B. Fact that a pro-Communist holds defense portfolio.
 - C. President Sukarno's insistence that those involved in 17 October affair be disciplined.
- II. In October 1952, anti-Communist headquarters officers, alarmed at growing Communist and extreme nationalist influence in parliament and increasing parliamentary interference in military affairs, petitioned Sukarno to dissolve parliament, assume personal responsibility for the government, and arrange to hold elections as soon as possible.
 - A. Sukarno agreed that elections should be held but refused to dissolve parliament.
 - B. He was extremely irritated by army's departure from democratic processes and at attempt to give him orders.
 - C. Within next few months, several anti-Communists--both civilian and military--in military establishment in Djakarta lost their jobs because of involvement in 17 October affair.
 - D. All seven territorial commanders are believed to have acquiesced in Djakarta maneuver in October 1952.
 1. Three of the seven were subsequently dislodged by local coups in which subordinate officers relieved commanders--in East Indonesia, East Java, and South Sumatra.

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- a. Coups were recognized by central government in East Indonesia and East Java, but cabinet replaced self-elected commander in South Sumatra with retired colonel, Uteyo--who is new chief of staff.
 - b. In post-October 1952 army differences with government, these three commanders--in East Indonesia, East Java, and South Sumatra--have remained neutral.
- III. Ali cabinet assumed office 1 August 1953 with Iwa, pro-Communist, holding defense portfolio.
- A. Presumably on orders of Sukarno, he purged chief of staff of armed forces--a strong anti-Communist who had been involved in 17 October affair--abolished his job, reorganized defense ministry, and began making his own appointments to army headquarters and defense ministry.
 1. He increased pressures on anti-Communist territorial commanders by attempting to infiltrate his own supporters on territorial staffs.
 2. Anti-Communist officers felt 17 October affair was being used by Iwa weaken anti-Communist influence in army.
- IV. Since October 1952, and until now, territorial commanders have made two attempts to limit Iwa's influence.
- A. In December 1953, four of them threatened not to recognize Iwa's authority unless he withdrew certain staff appointments.
 1. But Sukarno intervened in support of Iwa and appealed to territorial commanders to remember national unity.

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B. Second effort was February 1955 conference held in Jogjakarta which attempted to get government promise of just and final settlement of 17 October affair.

1. Agreement was reached that politics would have no influence in army and army, on its part, would stay out of politics.
2. Sukarno and Vice President Hatta, who is trusted by anti-Communists, were to have equal share in arriving at final settlement.

V. Territorial commanders now claim that Utoyo appointment violates February agreement.

- A. They state new chief of staff should have been appointed on basis of ability and seniority.
- B. They believe Vice President Hatta did not have sufficient role in decision.
- C. Six territorial commanders (Utoyo has not been replaced in South Sumatra) support February agreement and boycotted Utoyo's installation.